

NEWPORT MUNICIPAL UTILITY DISTRICT

Minutes of Meeting of Board of Directors

August 1, 2024

The Board of Directors (“Board”) of Newport Municipal Utility District (“District”) met at 16401 Country Club Drive, Crosby, Texas, on August 1, 2024, in accordance with the duly posted notice of said meeting, with a quorum of directors present, as follows:

Margarette Chasteen, President
DeLonne L. Johnson, Vice President
Deborah Florus, Secretary
Earl B. Boykin, Assistant Secretary
R. Gary Hasse, Director

and the following director absent:

None.

Also present were Kelly Shipley, Rich Harcrow, Andrea Martin, Justin Waggoner, Abby Stanhouse, Debbie Shelton, Don Cox, Nino Corbett, Marie Mendoza, and Lori G. Aylett.

The President called the meeting to order and declared it open for such business as might properly come before it.

1. The Chair called for public comment. Marie Mendoza addressed the Board and stated that she lived on Northwood Springs Drive. There is a retaining wall at the rear of her property, and she wanted to understand who owned and maintained the wall. The engineer and operator confirmed that there were no utility easements in the rear property in that area, and the District did not own or maintain the wall. The Board members suggested that Ms. Mendoza review her title and survey documents, as it was likely that the wall is on her private property. Ms. Mendoza also noted that there was a drain in the area, and Rich Harcrow confirmed that the drain is maintained by the District.

2. The Board considered an engineer’s report. Kelly Shipley presented a capital improvements plan to be utilized by the District in determining costs for future projects. The engineer also discussed the cost of providing generators at District lift stations. After the last meeting, the District operator solicited proposals for generators from EFS, Total Energy Solutions, and Gillette. It appears that the best bid was Total Energy Solutions, for an 80-kilowatt Kohler generator with an ATS, switch, and pad. The cost of the generator was \$69,700.99 with a 24-hour tank. With a 48-hour tank, an additional fee of \$9,093.75 would be applied. For a 75-hour tank, a fee of \$9,665 would be added. The Kohler generator will take 25 to 27 weeks to come in. The District also reviewed proposals of EFS for a Kohler generator and the proposal for Gillette generator. The operator noted that the District currently has 11 lift stations, and eight of them do not have permanent generator power. It would be helpful to add permanent generators to the lift stations for hurricane preparedness. After discussion, the Board requested that the operator obtain firm pricing for the purchase of one, two or three generators.

3. Debbie Shelton presented a financial advisor's report. She has been working with the bond committee and with Touchstone on presentation of financial data to the residents.

4. There was no operations report presented.

5. The Board discussed the parks report. Margaret Chasteen noted that the Park Rangers will be holding their last event this weekend. Director Chasteen noted that there had been one complaint made on Facebook about erosion on the park trails. She asked people to call the operator with any kind of complaints regarding the parks. Director Johnson suggested the addition of signage notifying people to call the operator in the event of issues regarding park services.

6. The Board reviewed developer reports. Nino Corbett stated that Horton is about to purchase another 54 lots in Phase 2 of the Newport Pointe development.

7. The Board reviewed a maintenance agreement for detention areas with Newport Pointe Property Owners Association. The Board reviewed the agreement and the associated exhibit in some detail. The attorney noted that the exhibit had been formulated with input from the District operator and engineer. Upon unanimous vote, the Board approved the maintenance agreement as presented.

8. The Board reviewed an engineering report for the upcoming bond election. Kelly Shipley reviewed the bond election report and data in detail with the Board. Upon unanimous vote, the Board approved the engineering report as presented.

9. The Board discussed the bond election. The attorney presented a draft of the order calling bond election. The Board discussed the assumptions made on the exhibit to the order. The Board asked the financial advisor to provide more information, including different assumptions about the maintenance tax that will be levied in future years. The financial advisor will present the data at the next meeting. Accordingly, consideration of the order calling the bond election was tabled.

10. The Board tabled consideration of an agreement with Harris County for contract of a joint election and provision of election services.

11. The Board discussed purchase of real estate. Kelly Shipley gave an interim report on the feasibility of utilizing a tract of land owned by Rampart next to the surface water treatment plant. It appears for the property to be used as a forebay by the District, additional land would have to be acquired or easements would need to be acquired from Lakewood. The engineer will have a final report available at a future meeting.

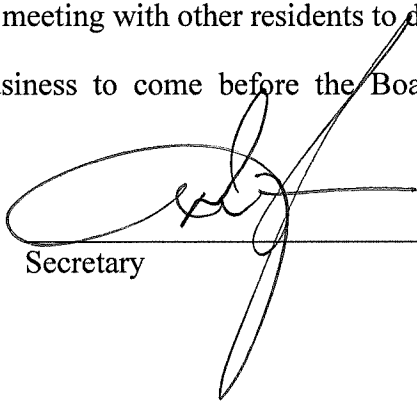
12. There were no groundwater reduction contracts for the Board's consideration.

13. There was no need for executive session.

14. There was no pending business.

15. Under public comment, Don Cox briefly addressed the Board. He stated that the bond election under consideration involved a very large dollar number, but he stated that he did not plan to oppose the Board or the District on the bond election. Director Chasteen invited Mr. Cox to attend an upcoming committee meeting with other residents to discuss the election.

There being no further business to come before the Board, the meeting was adjourned.



Secretary